

BUREAU OF THE BUDGET

WASHINGTON 25, D. C.

\*OMB Waiver Letter In ERU File\*

February 17, 1956

MEMORANDUM FOR: Col. L. K. White  
Central Intelligence Agency

Subject: My recent trip with members of your agency

I was tremendously impressed with the progress made to date on your special project. Rather than elaborate on the many things which I think have been done very well, it seemed more appropriate to report to you on what I believe to be opportunities for improving the current situation. I have discussed most of the following points orally with your project manager and know that he is giving serious attention to these matters during the course of his very busy days.

The points which I thought were worth mentioning are as follows:

1. Operations Plans

The current problem of firming up overseas plans is fully understood. However, with the deadline for the initial phase of operations only a few weeks away, a number of the senior people I talked to, both in and out of the Government, were concerned over the lack of adequate guidance for their current logistics and personnel planning. It would seem to me that even though the overseas plans are still somewhat up in the air, these senior individuals should be given a firm basis for planning, at this time, even though the plans may have to be drastically changed at some later date.

The person in charge of Detachment A was particularly insistent on the need of an operating plan for his group. It is understood some work is being done on this matter but perhaps it could be expedited. In any event he might be given a more complete set of working assumptions, at this time, pending the finalizing of an operating plan.

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## 2. Duration of overseas activities

Within limits there is some range of alternatives between carrying on overseas activities for a short period at a maximum rate or spreading these activities over a period of many months. Because of the problem of maintaining security, there would appear to be merit in considering the shorter intensified approach. In discussing this question with some of the senior people involved, I noted some feeling that the plans should be revised somewhat in favor of the more intense approach. The project manager, however, emphasized certain bottlenecks in attempting to move in that direction, which may be insurmountable at this time. I am not completely satisfied with his explanation but my trip was too short to really go into this matter with any thoroughness.

## 3. Space

As you know, your activities have been expanded beyond the original plans with the result that the physical space at the place visited is becoming very tight. Any large-scale building, at this time, would involve closing down activities because of the problem faced in obtaining security clearance for workers. I was impressed, however, with a number of steps that the local manager of the activity thought could be taken without closing down for a period which should substantially relieve the current tight space problem. He lacked, however, an assistant qualified to get his various ideas down on paper and in the form of a workable action program that could be put into effect quickly. The man best qualified to help him on that matter was already snowed under with other duties. It would seem appropriate to try to free up someone locally to help him on this space problem or send some qualified person out of Washington for a week or two.

## 4. Authority of local manager

During my visit, the project manager from Washington did grant the local manager some additional authority to make decisions locally. He feels that some further decentralizing of authority and responsibility to him would be appropriate. Since he is rather new on the job and in view of the complexity of this activity, I am not sure that any further decentralization of authority should be made at this time. I did want to flag this matter, however, as a continuing problem.

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5. Responsibility for local activity

Several persons I talked to both in your agency and the other agency involved were of the opinion that when this project reached a certain stage it would be preferable to turn over the local activity I visited as well as the overseas operations to the other agency but under the general policy guidance of your project manager. They felt that such a step could be taken at this time. Others felt equally strongly that the activities should be carried on as at present and that, if anything, the other agency had already been brought too much into the picture. It seems to me that if such a transfer were going to be made it should have been carried out at an earlier date. Such a transfer, at this time, would probably cause unfortunate delays particularly in view of the extreme necessity of getting operations underway quickly before security is lost. However, this is a controversial matter which might be given further consideration.

6. Auditing receipts collected by local contracting agency

The regional manager for the contracting firm providing such local services as food and maintenance to your activity expressed concern to me that if the local activities were audited by the primary agency he works for he would have difficulty supporting the collections received of \$1.25 a day on rooms, particularly from visitors. He also had some doubts as to whether the money collected for meals could be fully accounted for. In discussing this matter with some of your people out there it was my impression that, for security reasons, he had not been informed about all of the checks that were being made on collections in the dining room. However, there was agreement that the handling of collections from visitors as well as the general problem of managing rooms for sleeping might be tightened up considerably.

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Chief, International Division

